

**CITY OF LODI  
INFORMAL INFORMATIONAL MEETING  
"SHIRTSLEEVE" SESSION  
CARNEGIE FORUM, 305 WEST PINE STREET  
TUESDAY, APRIL 12, 2005**

An Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council was held Tuesday, April 12, 2005, commencing at 7:02 a.m.

**A. ROLL CALL**

Present: Council Members – Hansen, Hitchcock, Johnson, Mounce, and Mayor Beckman

Absent: Council Members – None

Also Present: City Manager King, City Attorney Schwabauer, and City Clerk Blackston

**B. TOPIC(S)**

**B-1 "RKS Residential Customer Survey"**

Electric Utility Director Vallow reported that every two years the California Municipal Utilities Association (CMUA) conducts a survey of businesses. Every other survey includes residential customers. The results provide a measurement of whether programs are effective. The survey that will be presented today was for residential customers, in which Lodi Electric Utility had a special "over sampling" done.

Dick Claey's, Vice President of RKS Research & Consulting, stated that the overall goal of the *CMUA Statewide Survey of California Residential Customers Served by Municipal Utilities* is to maintain and update measures of residential customer satisfaction with the performance of municipal utilities. The survey is commissioned by the CMUA, and participating municipal utilities pay the cost for the study. Lodi's share of the cost was \$4,700. Results are valid at a 95% confidence level based on mathematical modeling. All participating members have input into the content of the questionnaire. Random digit dialing was used for the phone interviews which were conducted before the Thanksgiving and Christmas holidays in 2004. The average interview lasted 22 minutes. Lodi Electric Utility provided its customer list and let customers know that the survey was being held. Mr. Claey's reviewed the survey results (filed) and provided the following information:

- 604 phone interviews were conducted, of which 501 were households served by municipal utilities;
- 200 of the households were in northern California and 301 were in southern California;
- 103 households were served by either San Diego, Southern California Edison, or Pacific Gas & Electric;
- 100 separate interviews were conducted on behalf of Lodi Electric Utility;
- On a scale of 0 to 10, Lodi scored 7.7 on the value of customers' relationship with the Utility and power reliability ranked 9;
- 35% of 100 customers felt that the price was too high and that the municipal utility was not "such a good deal" as it was two years ago;
- 40% of the respondents felt that the Utility works hard to keep the price down;
- 6 in 10 Lodi residents see real value for what they are paying for electrical services;
- 21% believe Lodi is more expensive than other utilities and 30% did not know;
- Lodi scored 63% for general customer satisfaction;
- Lodi scored 10% for Internet services;
- Public Benefits Programs scored 20 points higher for appliance efficiency programs; green energy awareness is low;

- Customers are moderately interested in paying by credit card; however, they are not interested if a convenience fee is charged for the service;
- Over half the customers give Lodi high marks for its communications and the vehicle they trust most for communications is the utility bill insert; and
- Two-thirds of Lodi's customers know it is a community-owned municipal utility.

In summary, Mr. Claeys stated that Lodi is performing very well relative to other municipal utilities particularly in the areas of power reliability, customer service, and image. Areas for improvement could be raising the participation level of "green" (renewable) energy and improving communications media, e.g. via the Internet.

Council Member Hansen asked to be provided with more information pertaining to comparison with the 2001 survey results: 1) what was done to try to improve, 2) has there been improvement, and 3) what is the plan to improve in the next two years.

Mayor Pro Tempore Hitchcock noted that the comparison on the question of whether the utility is working hard to keep prices down was 52% for the Northern California Power Agency (NCPA) and 40% for Lodi Electric Utility. She asked what other NCPA cities are doing to give that perception to its customers that Lodi is not.

Mr. Vallow reported that the call volume on Public Benefits Programs has dropped by over 50% since the utility bill inserts were discontinued. In terms of outreach, the Utility felt that the inserts were very important and he recommended that at least occasionally they be reinstituted. Mr. Vallow stated he would be able to do trend line benchmarking for businesses because an over sampling was done previously. The survey presented today was the first time a residential over sampling was done.

**C. COMMENTS BY THE PUBLIC ON NON-AGENDA ITEMS**

None.

**D. ADJOURNMENT**

No action was taken by the City Council. The meeting was adjourned at 7:55 a.m.

ATTEST:

Susan J. Blackston  
City Clerk

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***CMUA 2004 Statewide Survey of  
California Residential Customers  
Served by Municipal Utilities***

***Lodi Electric  
April 2005***



## ***Project Goal***

***Obtain updated measurement of residential  
customer satisfaction with municipal utilities***

## ***Other Objectives***

- **Compare against most recent CMUA reading - yearend 2002**
- **Compare against ratings given to IOUs by their customers**
- **Obtain Lodi Electric benchmark**
- **Compare against NCPA member utilities**

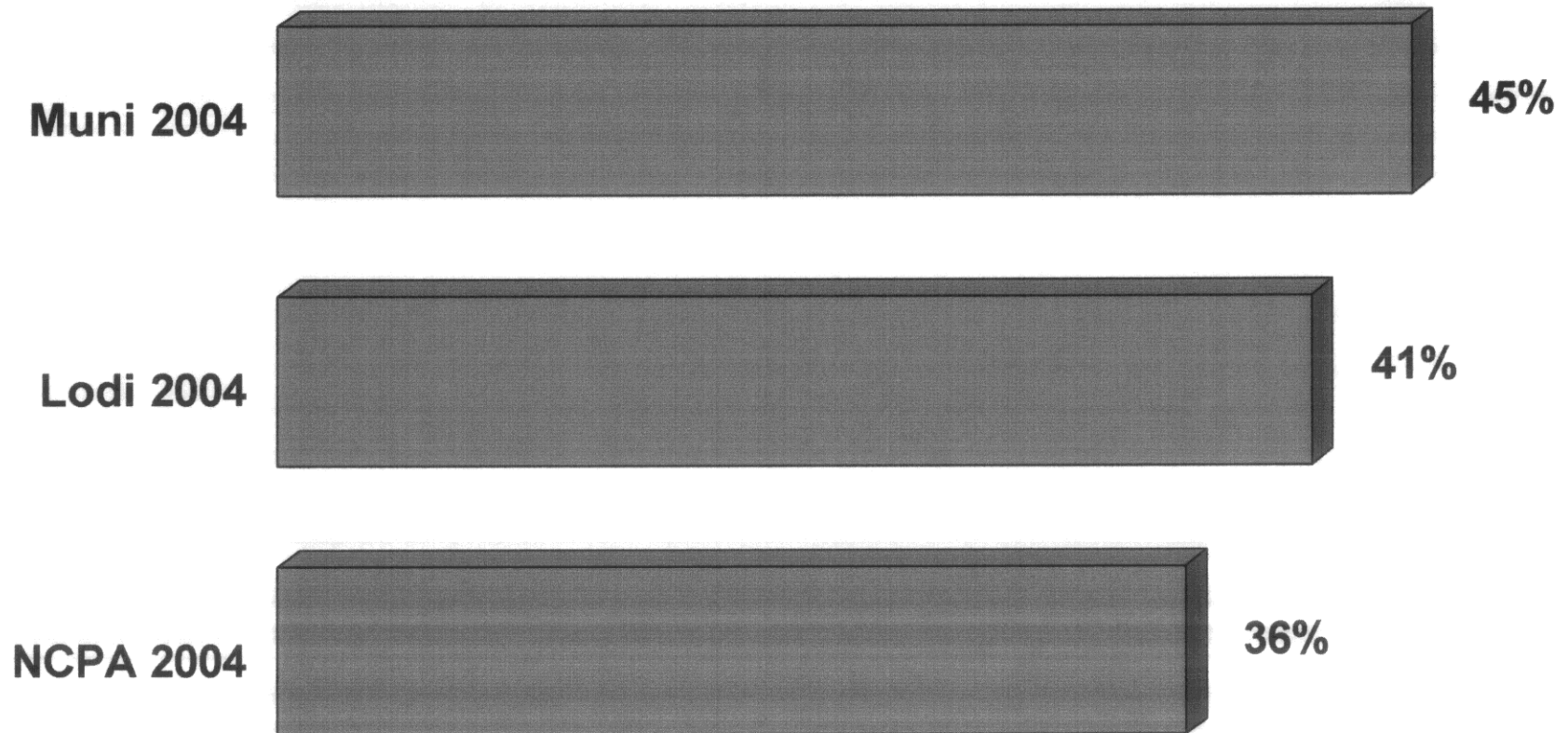
## ***Methodology***

- **Statewide study commissioned by CMUA members**
- **Done twice before - yearend 2001 and yearend 2002**
- **Sample drawn using RDD (random digit dial) technique**
- **Interviews conducted from November 18 - December 13, 2004**
- **Average interview: 22 minutes; sponsors not disclosed**
- **Lodi Electric provided customer lists; sponsorship revealed**

## ***Final Sample***

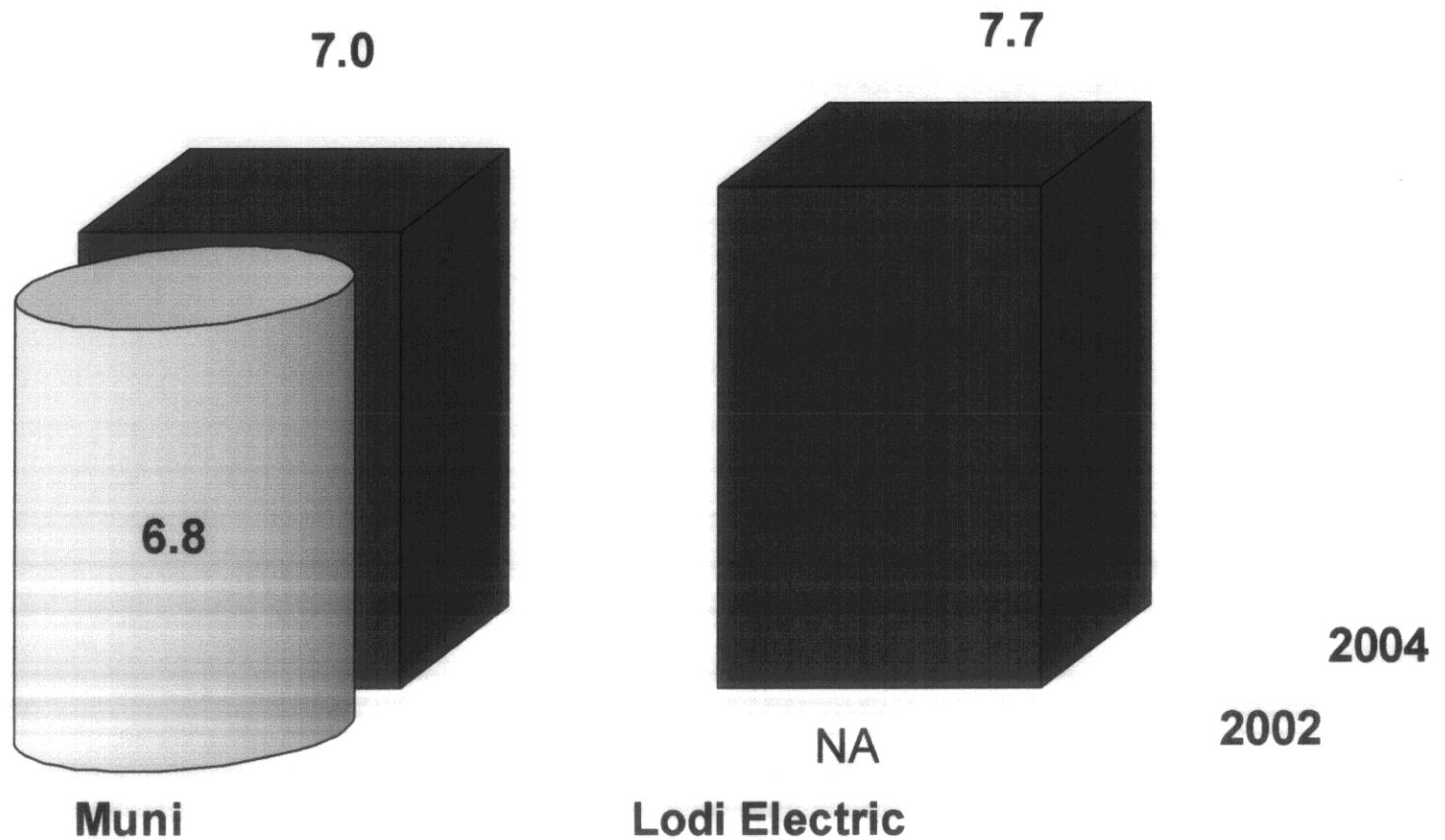
- **Total of 604 telephone interviews conducted:**
  - **501 served by municipal utilities**
    - **200 in Northern California**
    - **301 in Southern California**
  - **103 served by California IOUs**
- **Lodi oversample - 100 interviews**

## *Call California Energy Situation Very Serious<sup>^</sup> (Q1a)*

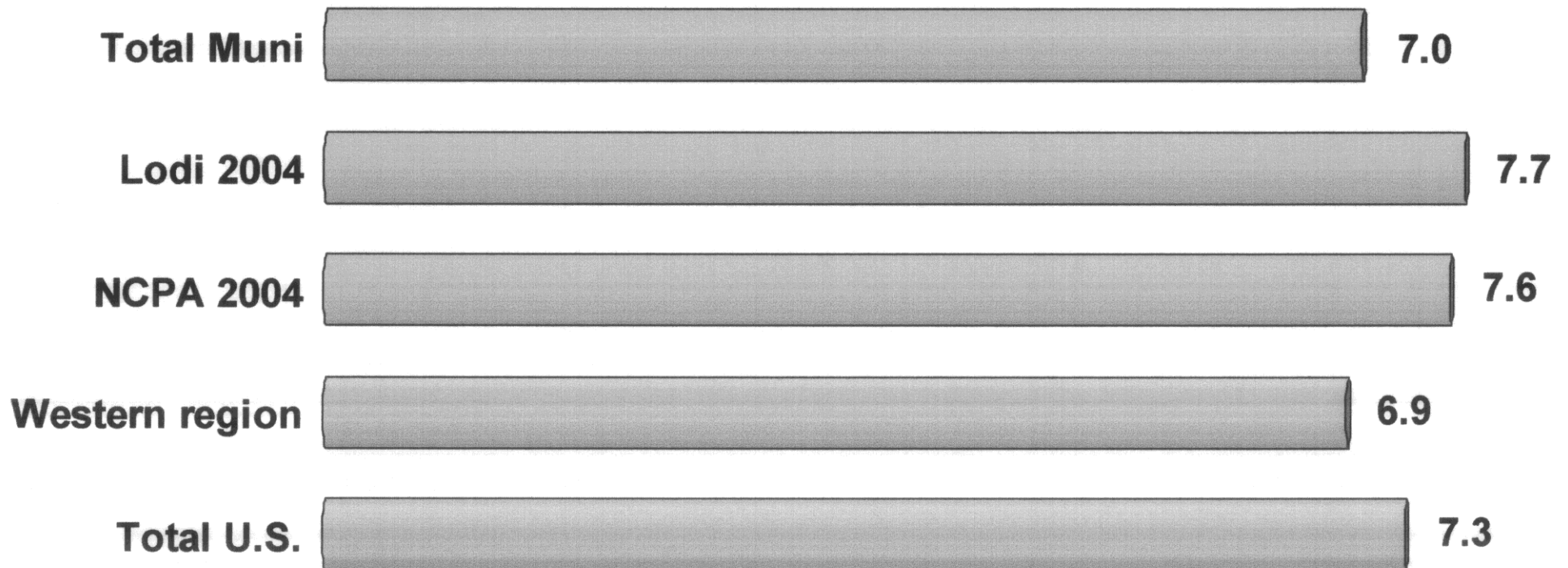


<sup>^</sup>Percent responding 8, 9 or 10 on a 0 (not serious) to 10 (very serious) scale

## *Value Rating Comparison: 2002 vs. 2004*



## *2004 Value Rating Comparison*



## ***Value Rating by Key Dimensions***

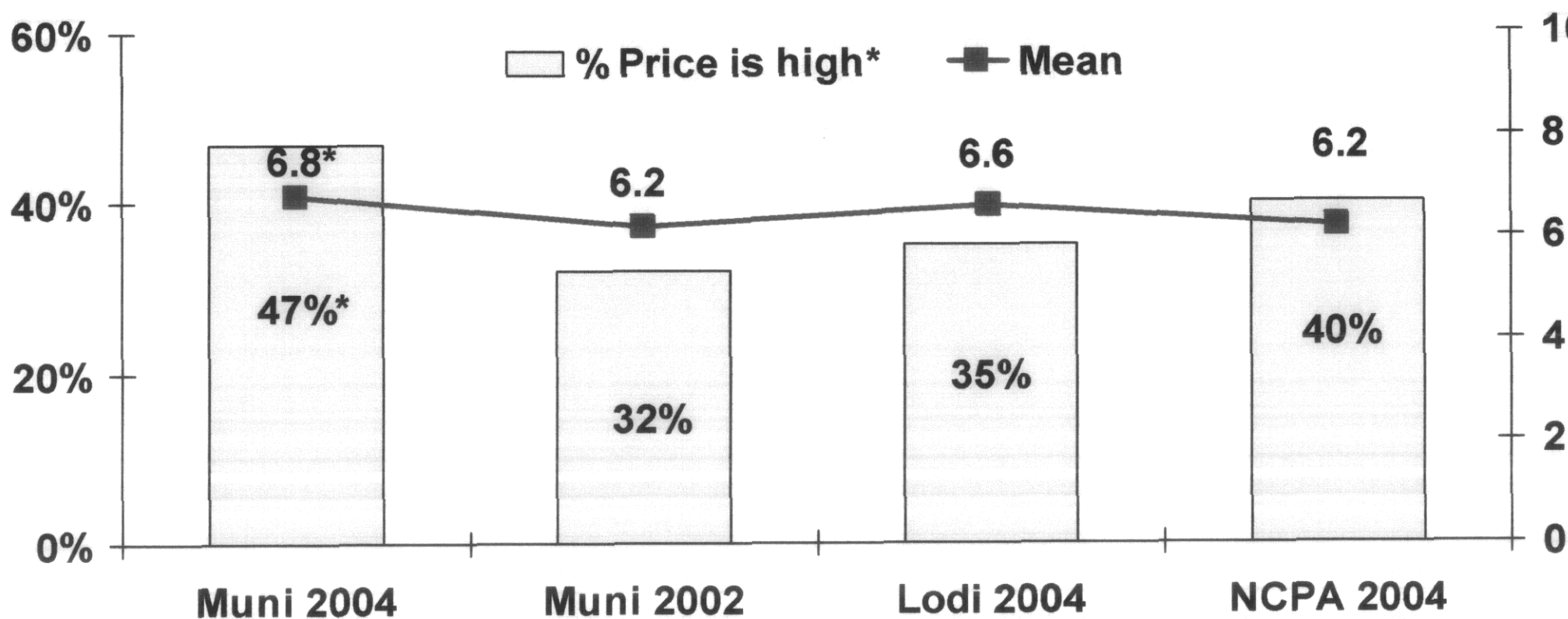
	<i><b>Value Rating*</b></i>
<b>Total CA Muni</b>	<b>7.0</b>
<b>Type of Service Purchase</b>	
<b>Purchase only electricity</b>	<b>7.4</b>
<b>Purchase multiple services</b>	<b>6.7</b>
<b>Budget plan</b>	<b>7.1</b>
<b>Green Energy Option</b>	
<b>Aware</b>	<b>7.5</b>
<b>Aware and participate</b>	<b>7.9</b>
<b>Not aware</b>	<b>6.5</b>

\*Average score on a 0 (lowest) to 10 (highest) scale

## ***Value Rating by Key Dimensions (continued)***

	<i><b>Value Rating*</b></i>
<b>Recent Contact with Utility</b>	
Had contact	6.9
Called	6.3
E-mail/web	7.4
No contact	7.1
<b>Public Benefits Program</b>	
Aware and participate	7.3
<b>Homeowner Status</b>	
Own	7.2
Rent	6.9

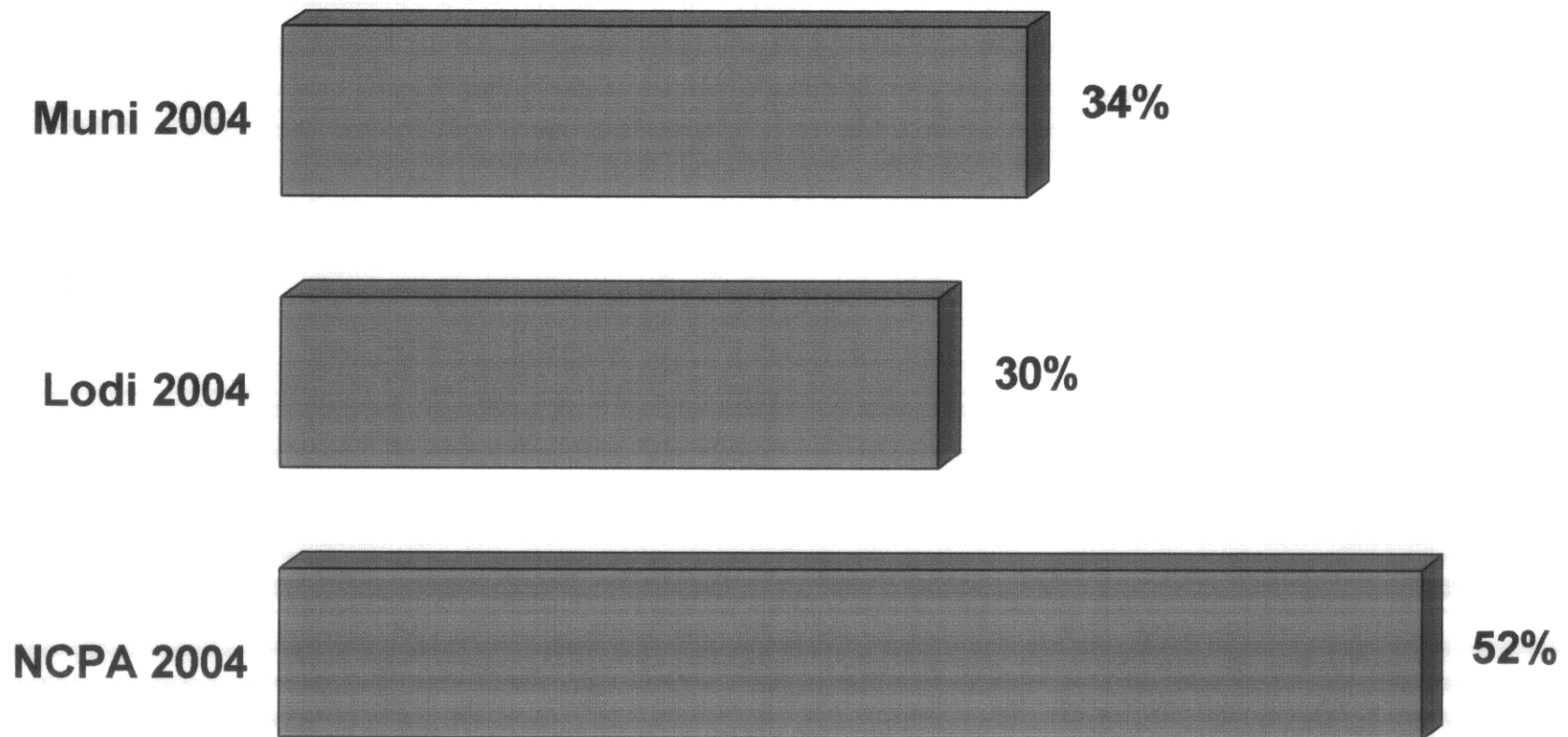
## *Pricing Perceptions: Percent Calling Price High+ (Q10a)*



\*Significantly higher than 2002 at the 95% level of confidence

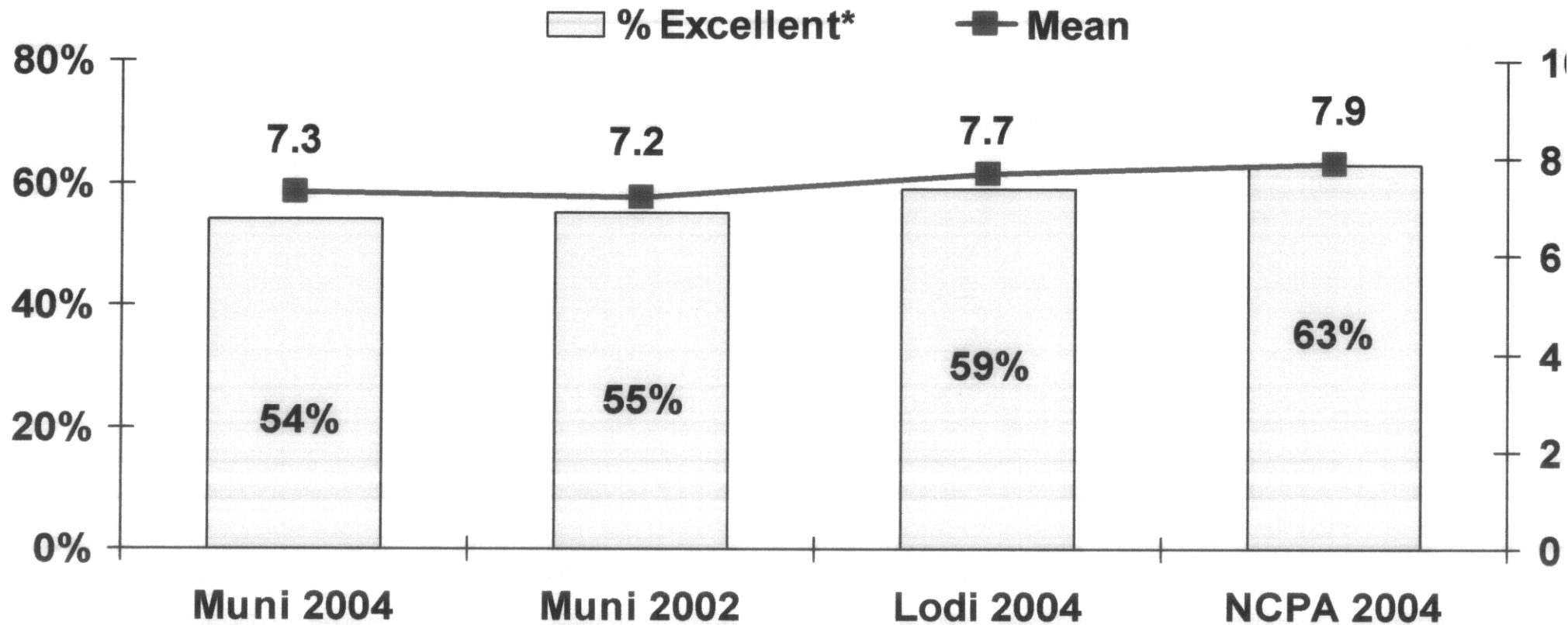
+Percent responding 8, 9 or 10 on a 0 (price is low) to 10 (price is high) scale

## *Utility Works Hard to Keep Prices Down (Q10b)*



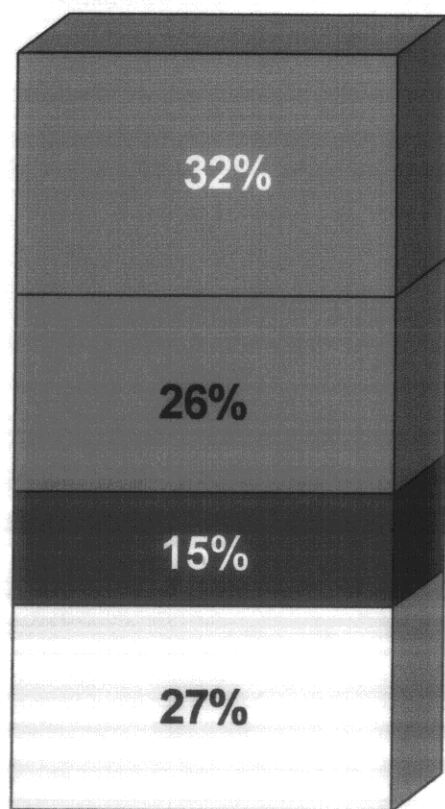
Percent responding 8, 9 or 10 on a 0 (does not work hard) to 10 (works very hard) scale

## *Perceived Value of Electrical Service (Q10c)*



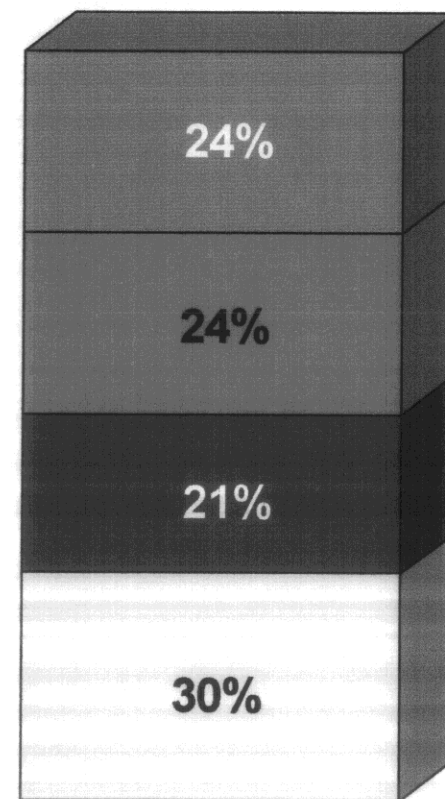
\*Percent responding 8, 9 or 10 on a 0 (poor) to 10 (excellent) scale

## *Price Compared to Other CA Utilities (Q10e)*



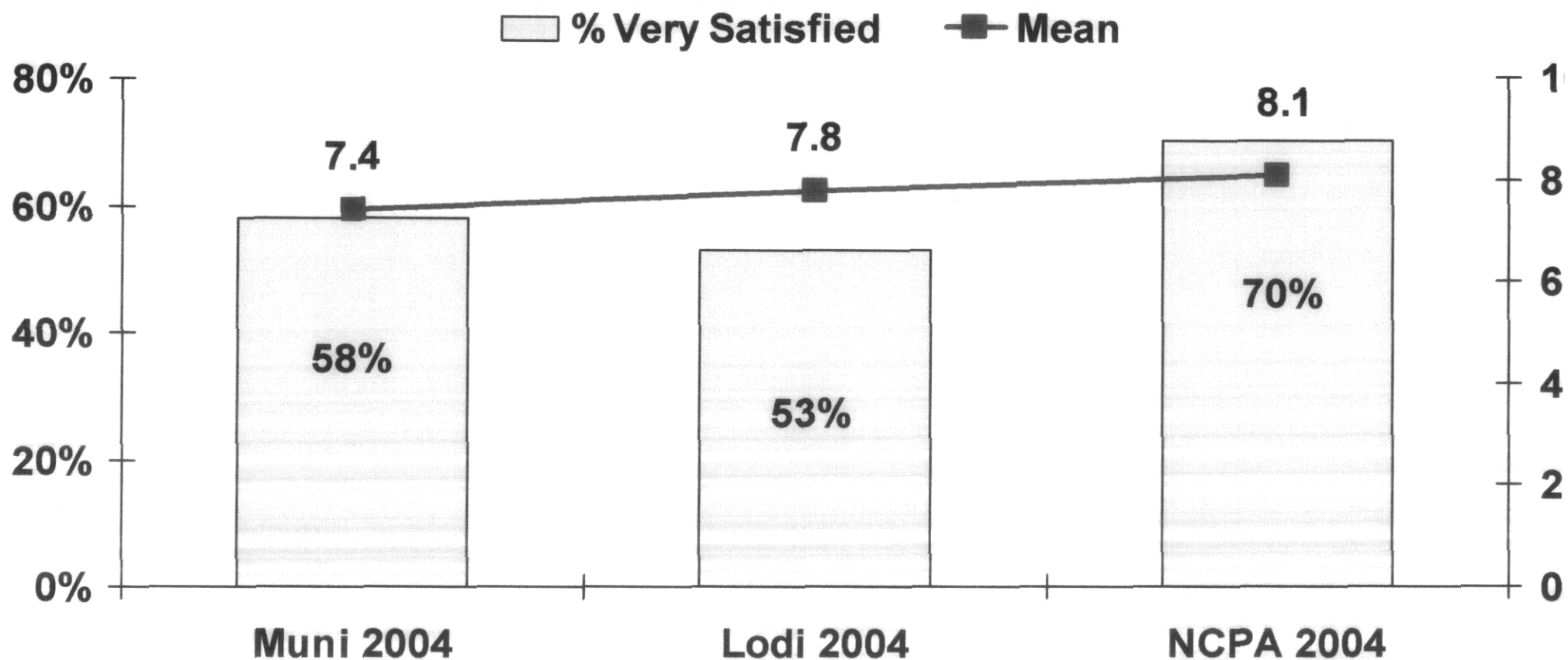
**CA Muni 2004**

- Lower
- Same
- Higher
- Not sure

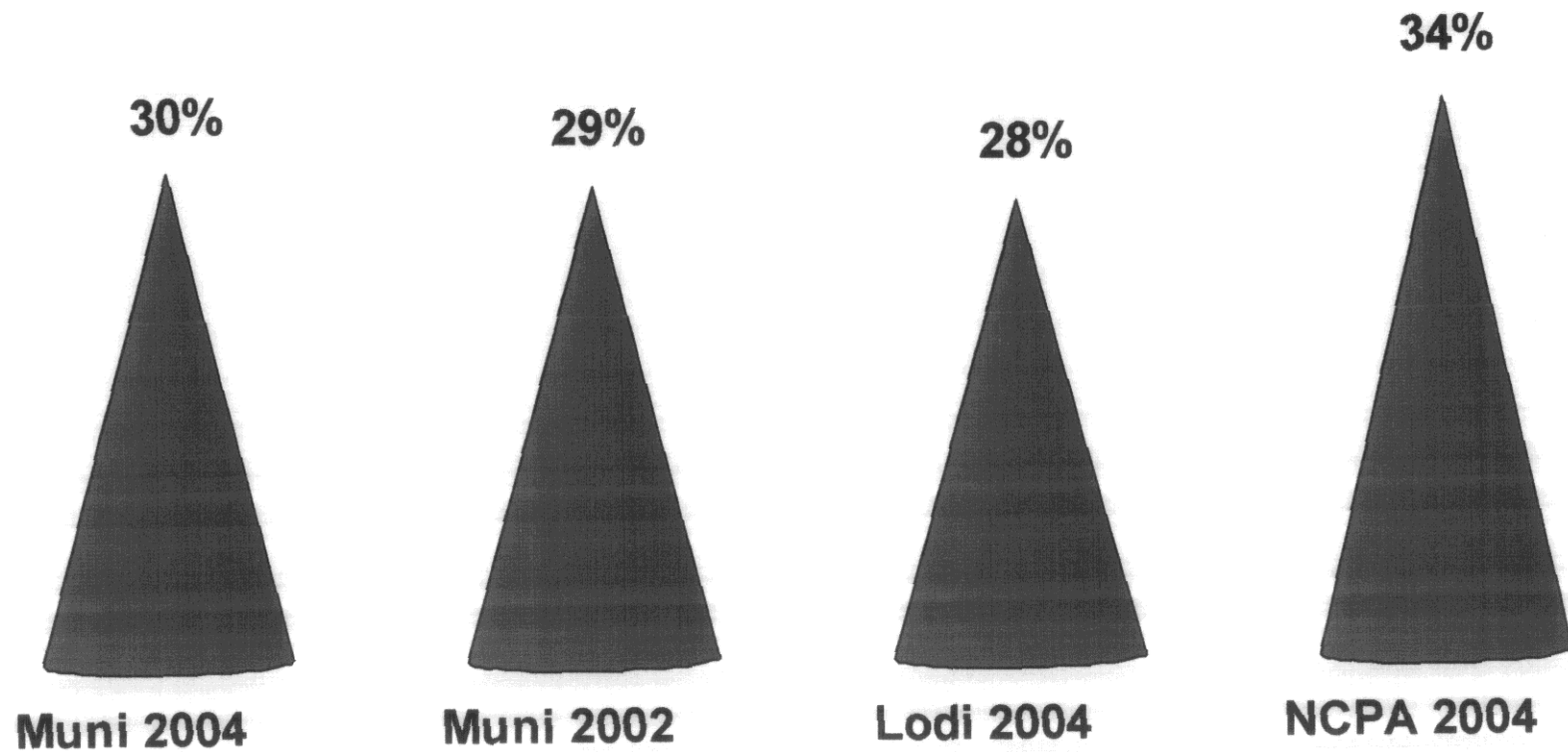


**Lodi 2004**

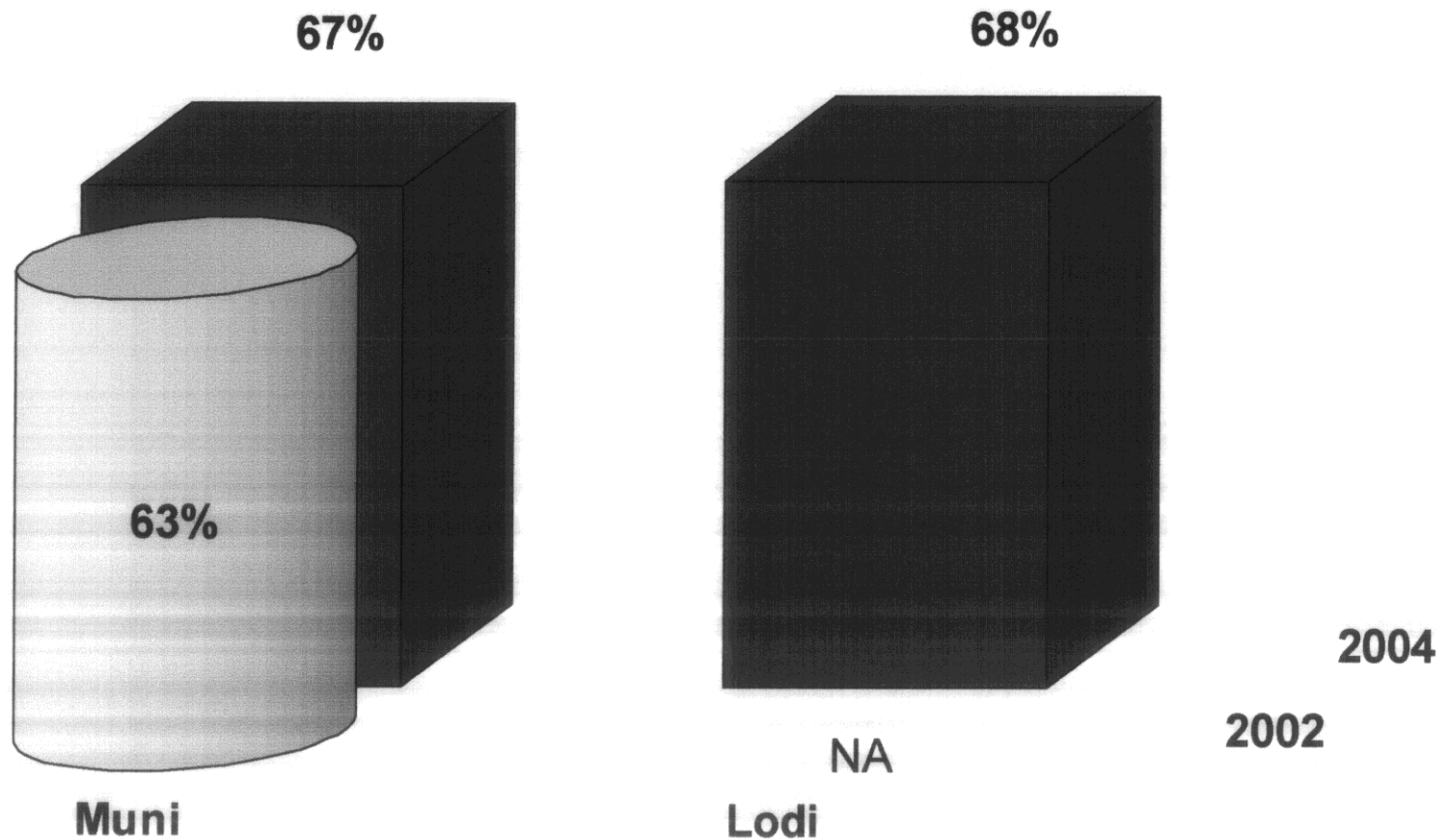
## *Overall Satisfaction with Utility (Q2)*



## *Had Contact with Utility (Q8a)*



***Overall Satisfaction with Contact Experience:  
Percent “Very Satisfied” (Q8e)***



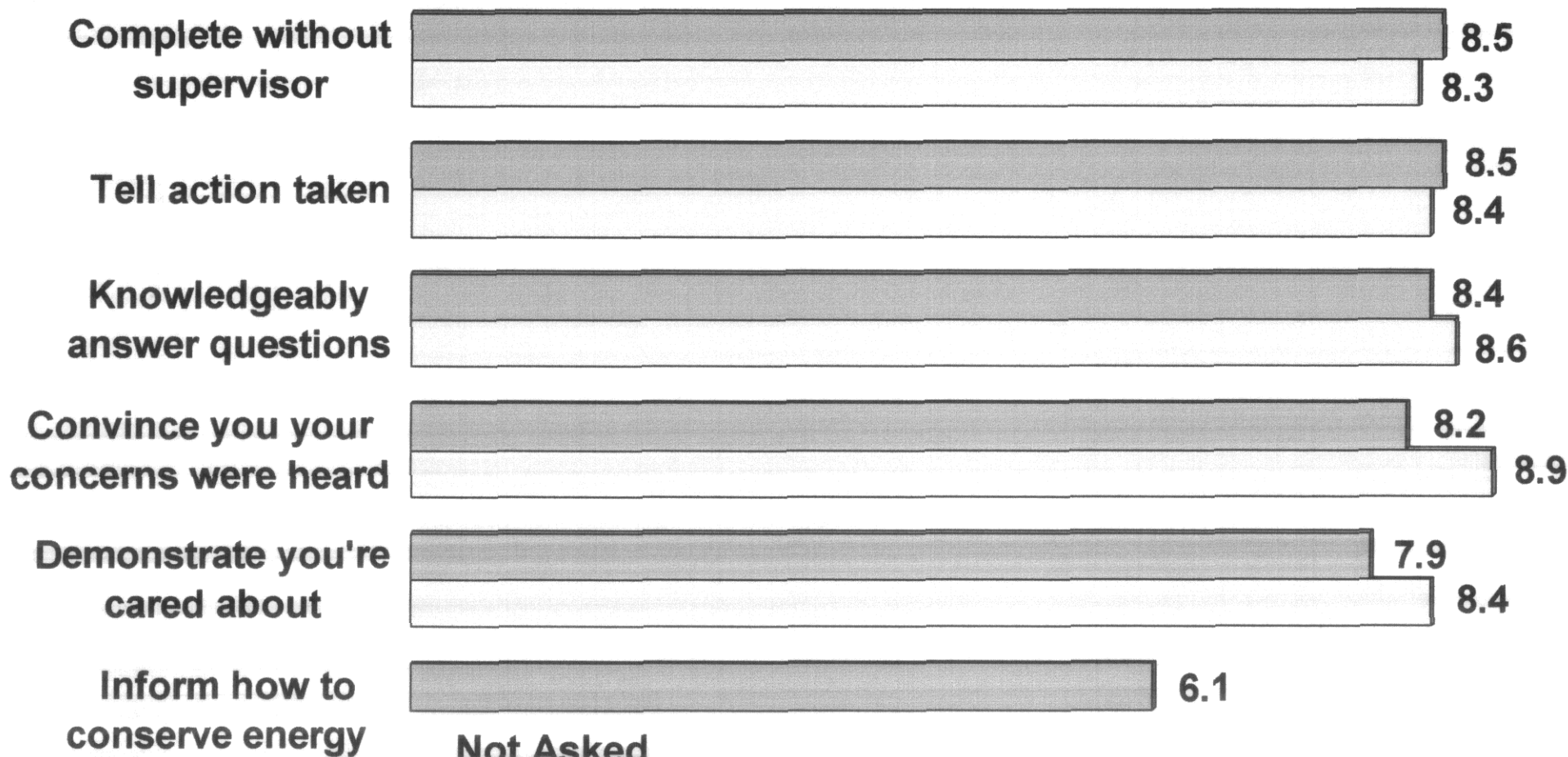
Percent responding 8, 9 or 10 on a 0 (very dissatisfied) to 10 (very satisfied) scale

## *Customer Service Rep Assessment\* (Q8d)*

(Base: Called or Visited Utility and Spoke with Rep)

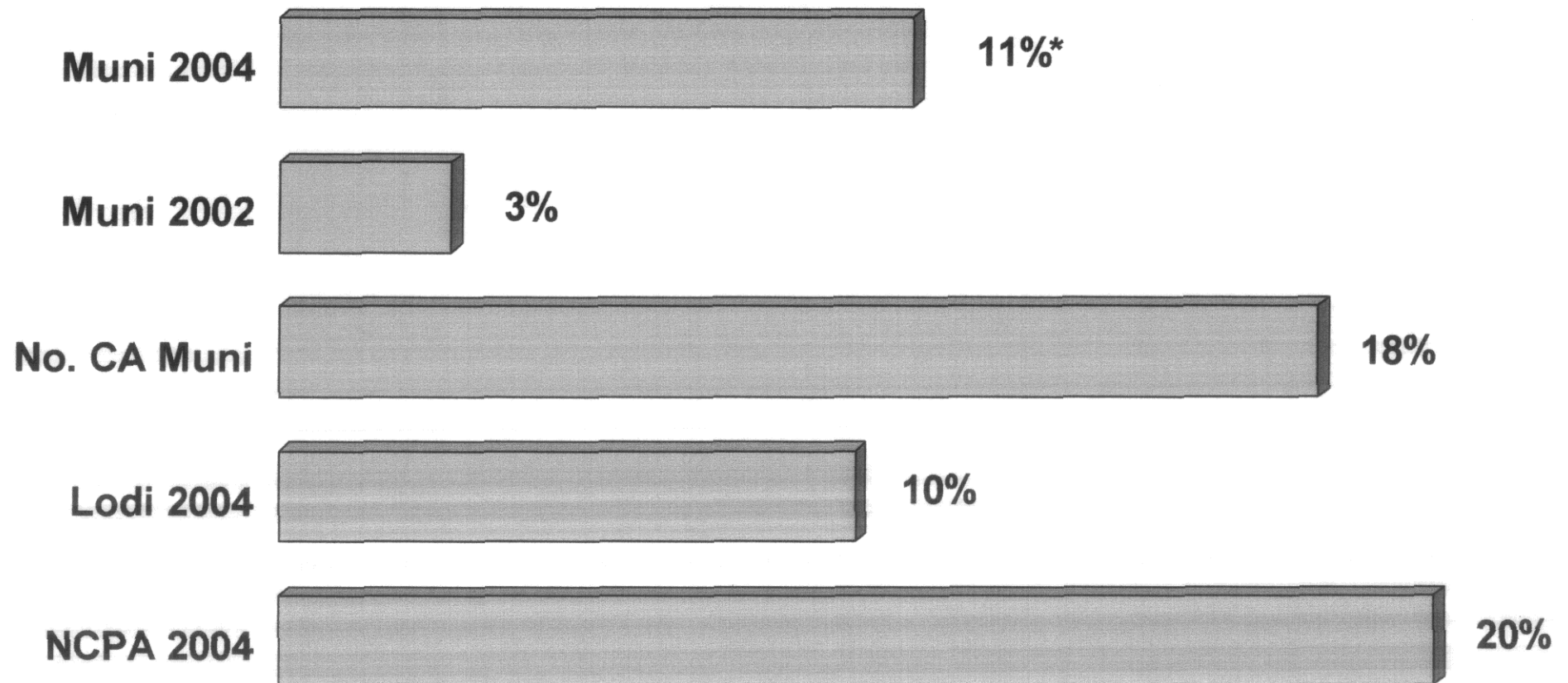
■ Muni 2004

□ Lodi 2004



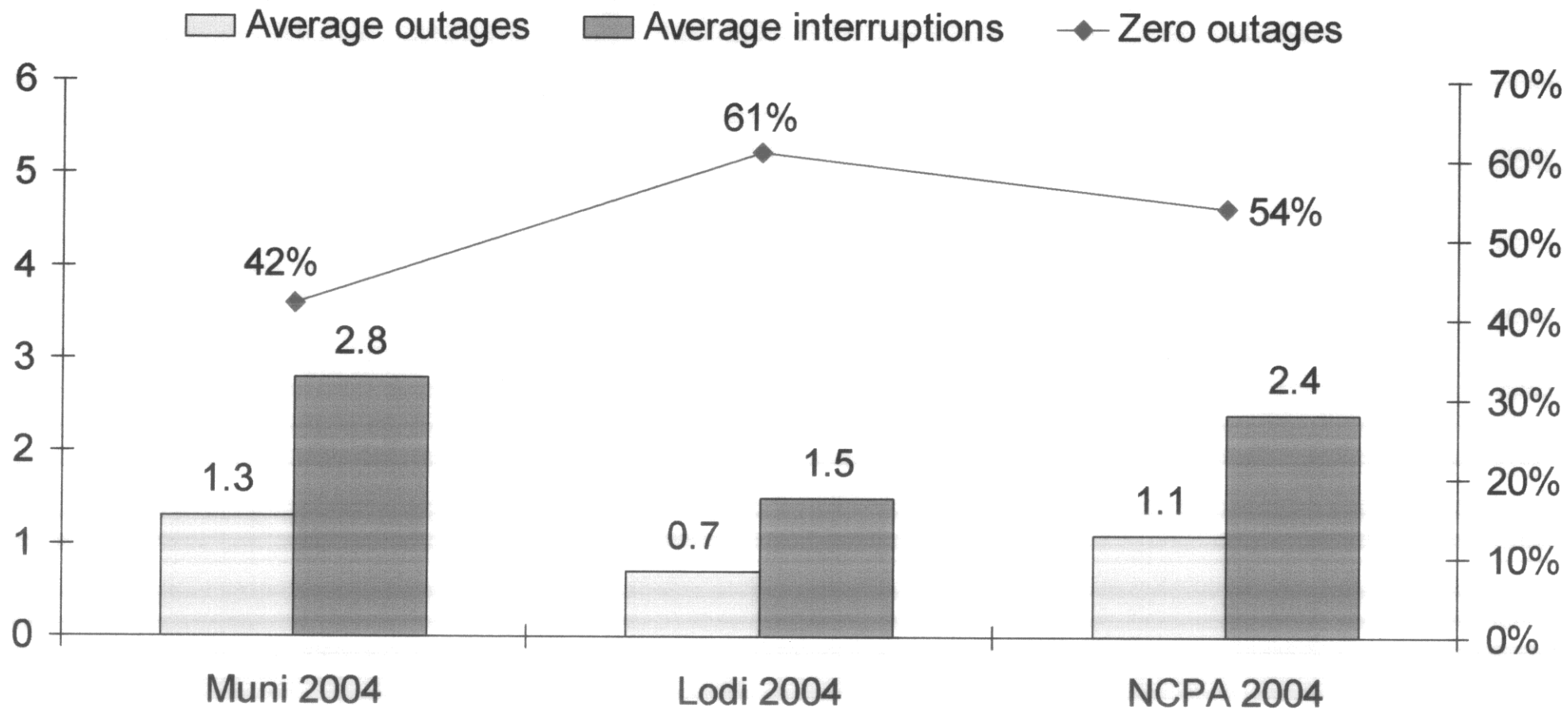
\*Average score on a 0 (poor) to 10 (excellent) scale

## *Visited Utility Website in Past Year (Q8a)*

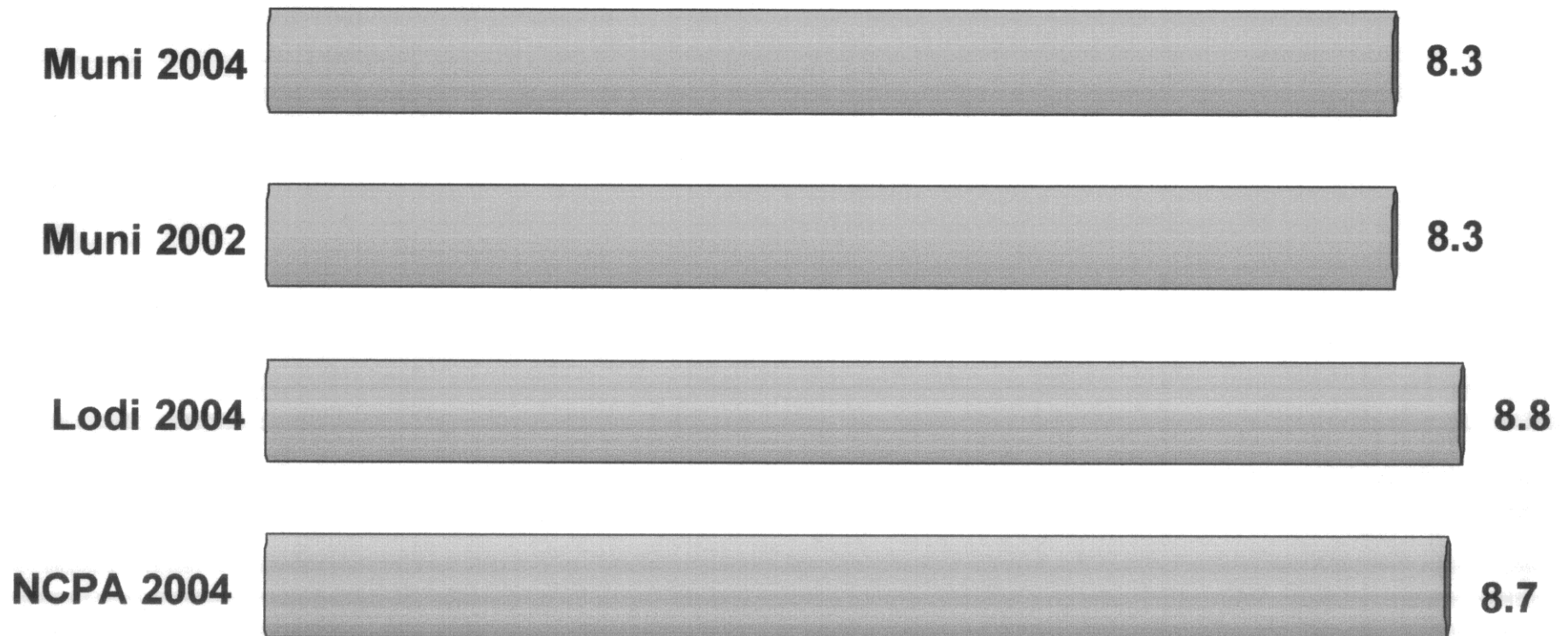


\*Significantly higher than Muni 2002 at the 95% level of confidence

## *Reliability (Q4a,b)*



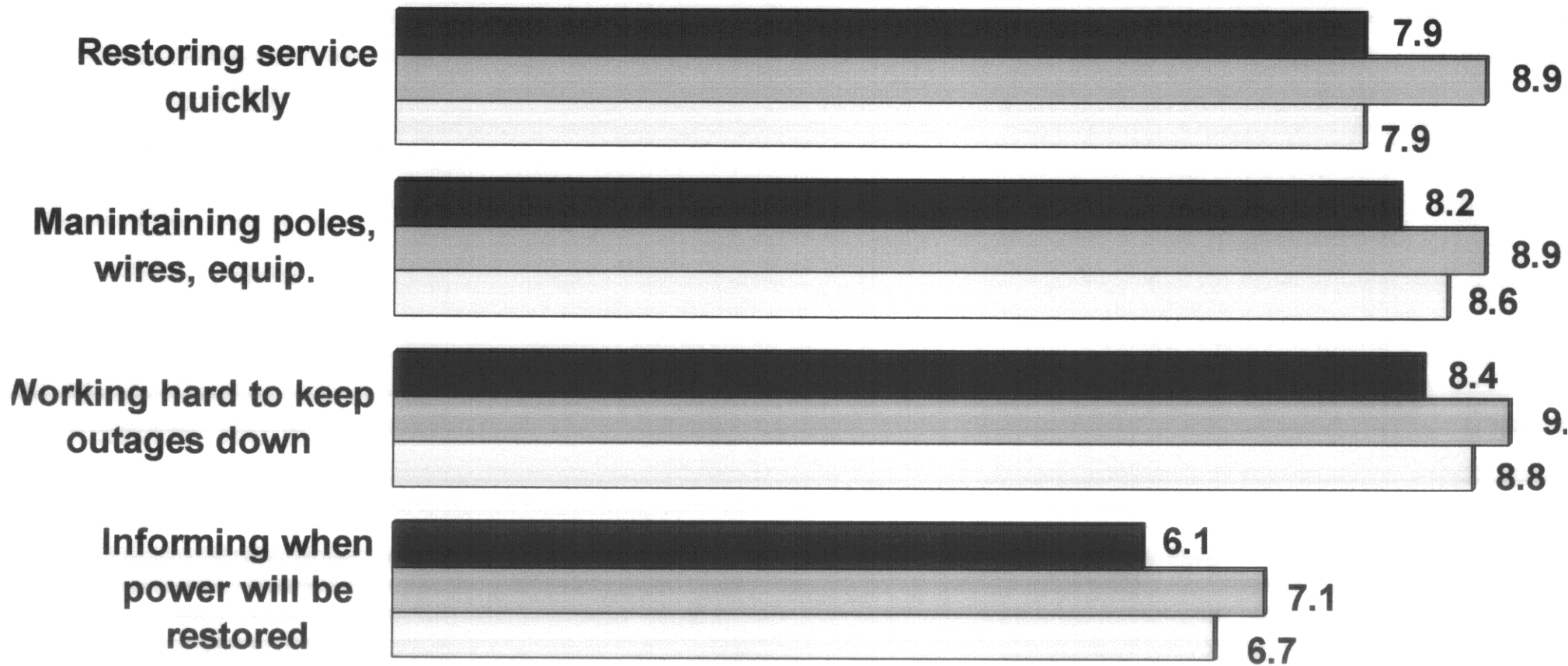
***Confidence that Utility Will Deliver  
Consistently Reliable Power (Q5b)***



Mean rating on a 0 (no confidence) to 10 (high confidence) scale

## *Rating on Aspects of Reliability (Q5a-d)*

■ Muni 2004  
■ Lodi 2004  
□ NCPA 2004



Mean rating on a 0 (poor) to 10 (excellent) scale

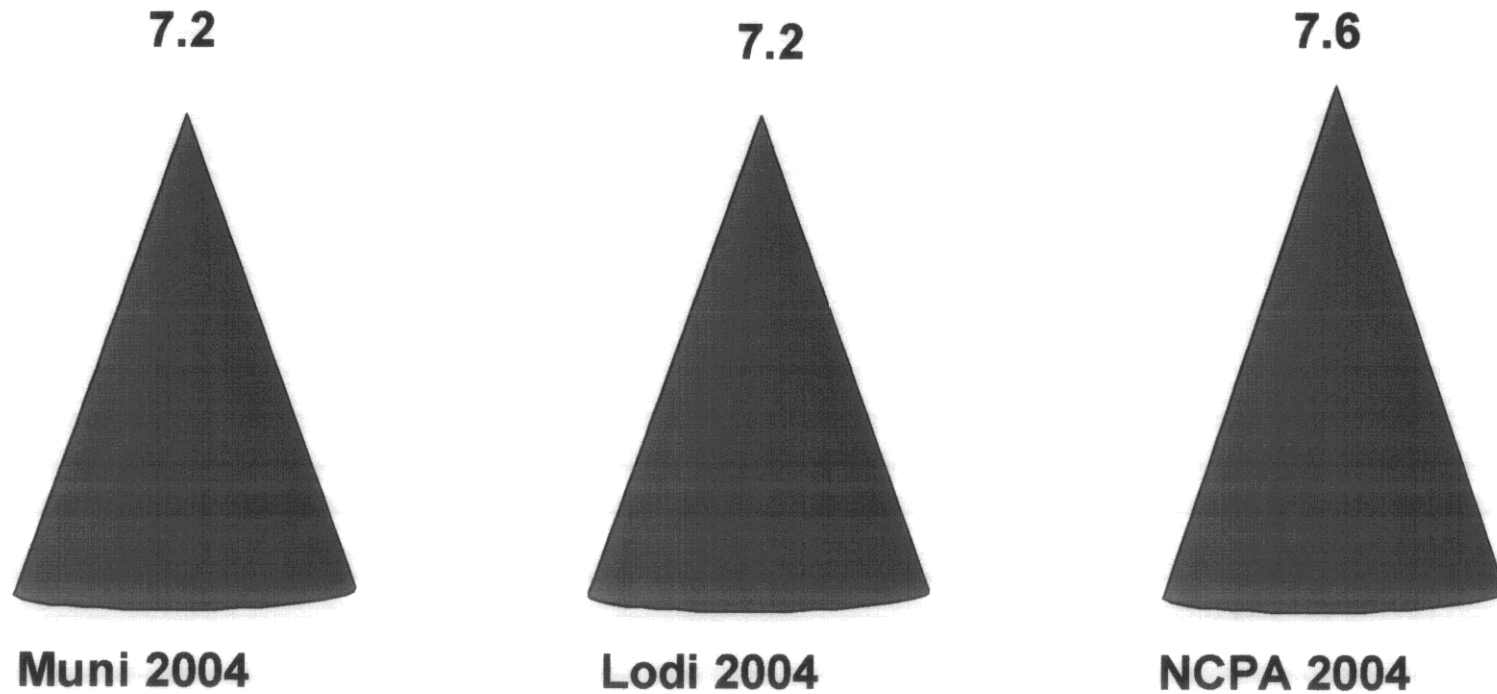
## ***Image Assessment***

	<b><i>Muni 2004</i></b>	<b><i>Lodi 2004</i></b>	<b><i>NCPA 2004</i></b>
<b>Delivering what they promise</b>	<b>8.1</b>	<b>8.7</b>	<b>8.4</b>
<b>Working hard to satisfy customers</b>	<b>7.9</b>	<b>8.5</b>	<b>8.3</b>
<b>Honest in dealing with customers</b>	<b>7.9</b>	<b>8.6</b>	<b>8.5</b>
<b>Working in best interest of customers</b>	<b>7.5</b>	<b>8.2</b>	<b>8.3</b>
<b>Providing energy conservation information</b>	<b>7.7</b>	<b>8.1</b>	<b>8.1</b>
<b>Providing access to utility rep 24/7</b>	<b>7.6</b>	<b>7.7</b>	<b>7.9</b>
<b>Communicating effectively with customers</b>	<b>7.6</b>	<b>8.3</b>	<b>8.0</b>
<b>Being involved in local community</b>	<b>7.2</b>	<b>8.0</b>	<b>8.6</b>
<b>Concern for the environment</b>	<b>7.2</b>	<b>8.2</b>	<b>8.0</b>

## ***Awareness and Participation in Public Benefit Programs (Q13a/b)***

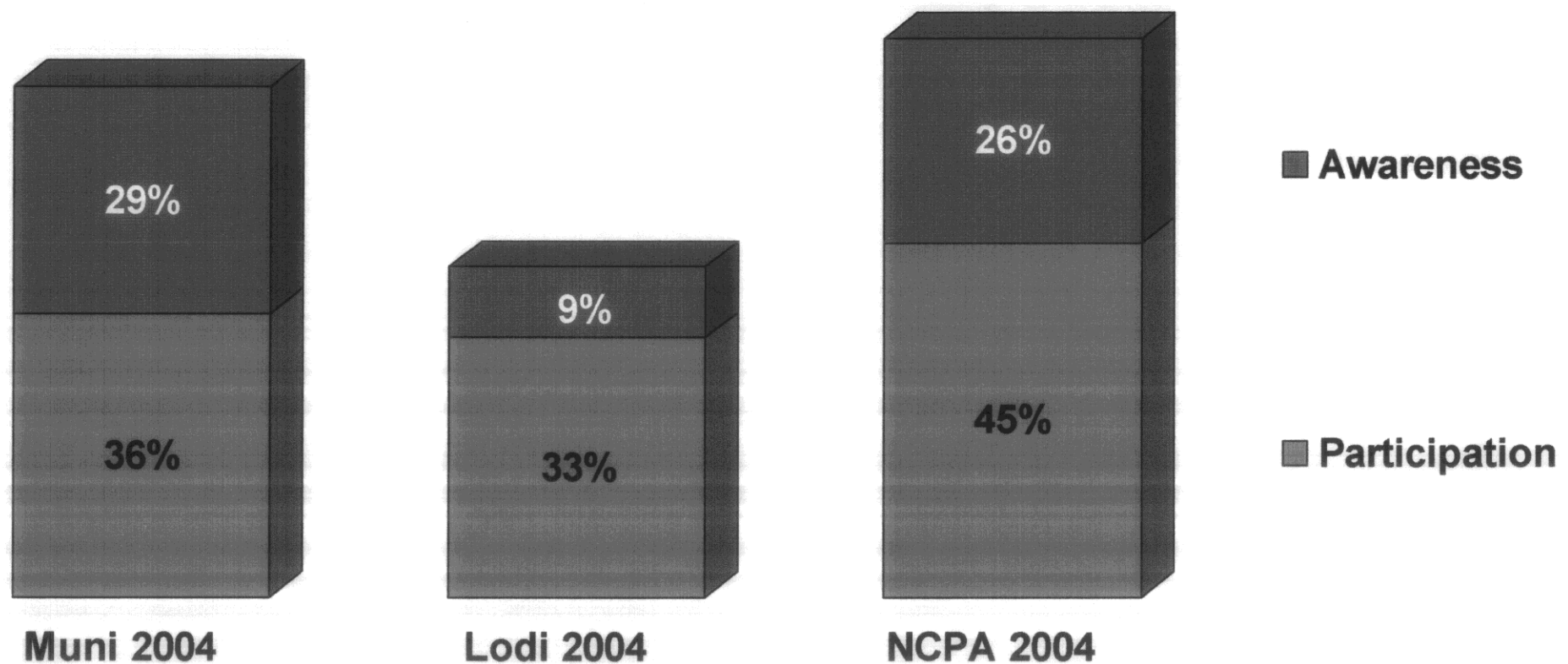
	<u><b>Lodi Electric 2004</b></u>		<u><b>CA Muni 2004</b></u>	
	<b>Aware %</b>	<b>Participate %</b>	<b>Aware %</b>	<b>Participate %</b>
<b>Audits</b>	<b>38</b>	<b>6</b>	<b>37</b>	<b>8</b>
<b>Incentives - efficient appliance</b>	<b>79</b>	<b>26</b>	<b>59</b>	<b>28</b>
<b>Incentives - renewables</b>	<b>20</b>	<b>1</b>	<b>20</b>	<b>3</b>
<b>Assisted programs</b>	<b>75</b>	<b>8</b>	<b>70</b>	<b>16</b>

## *Assessment of Utility Public Benefit Programs (Q13d)*

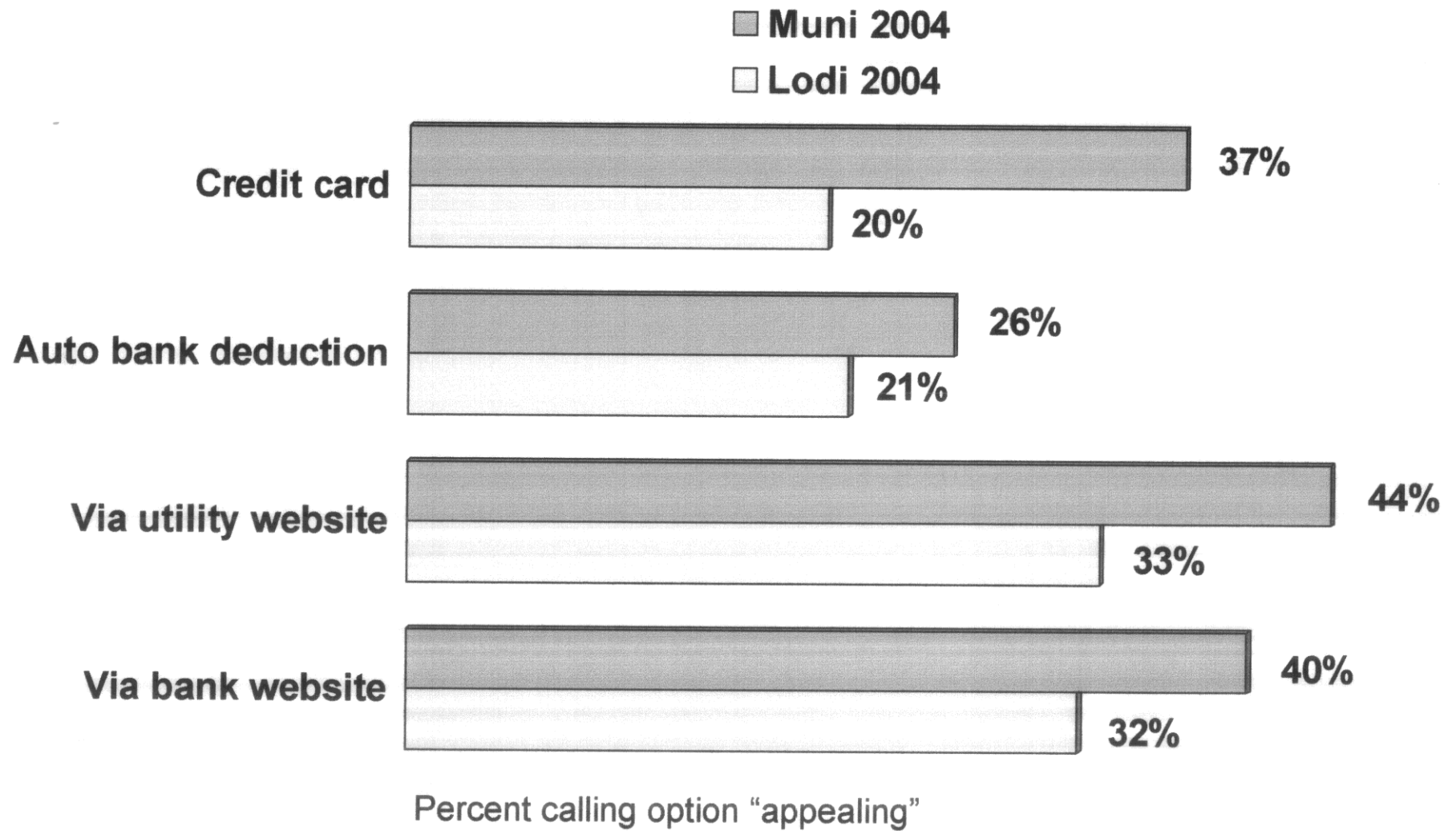


Mean rating on a 0 (poor) to 10 (excellent) scale

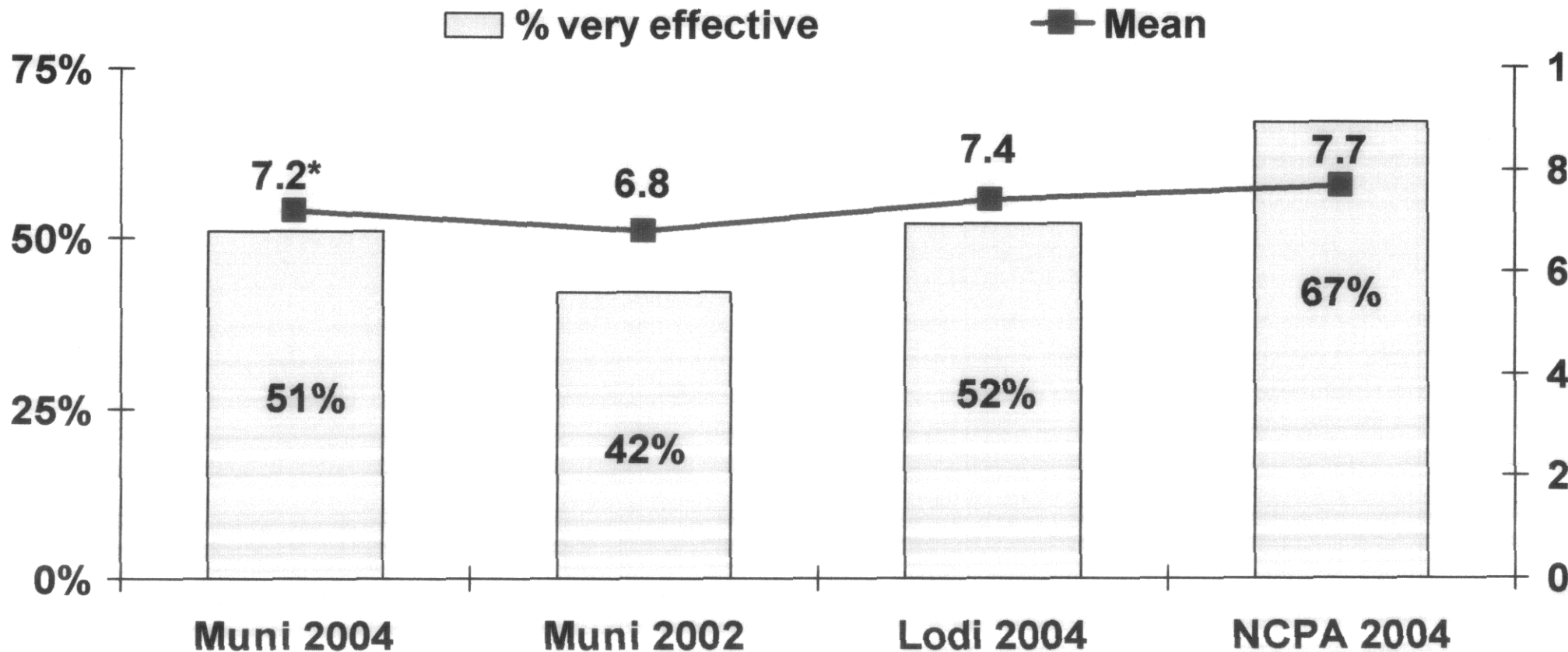
## *Awareness and Participation in Utility's Green Energy Program (Q14a)*



## *Appeal of Payment Options (Q11a)*

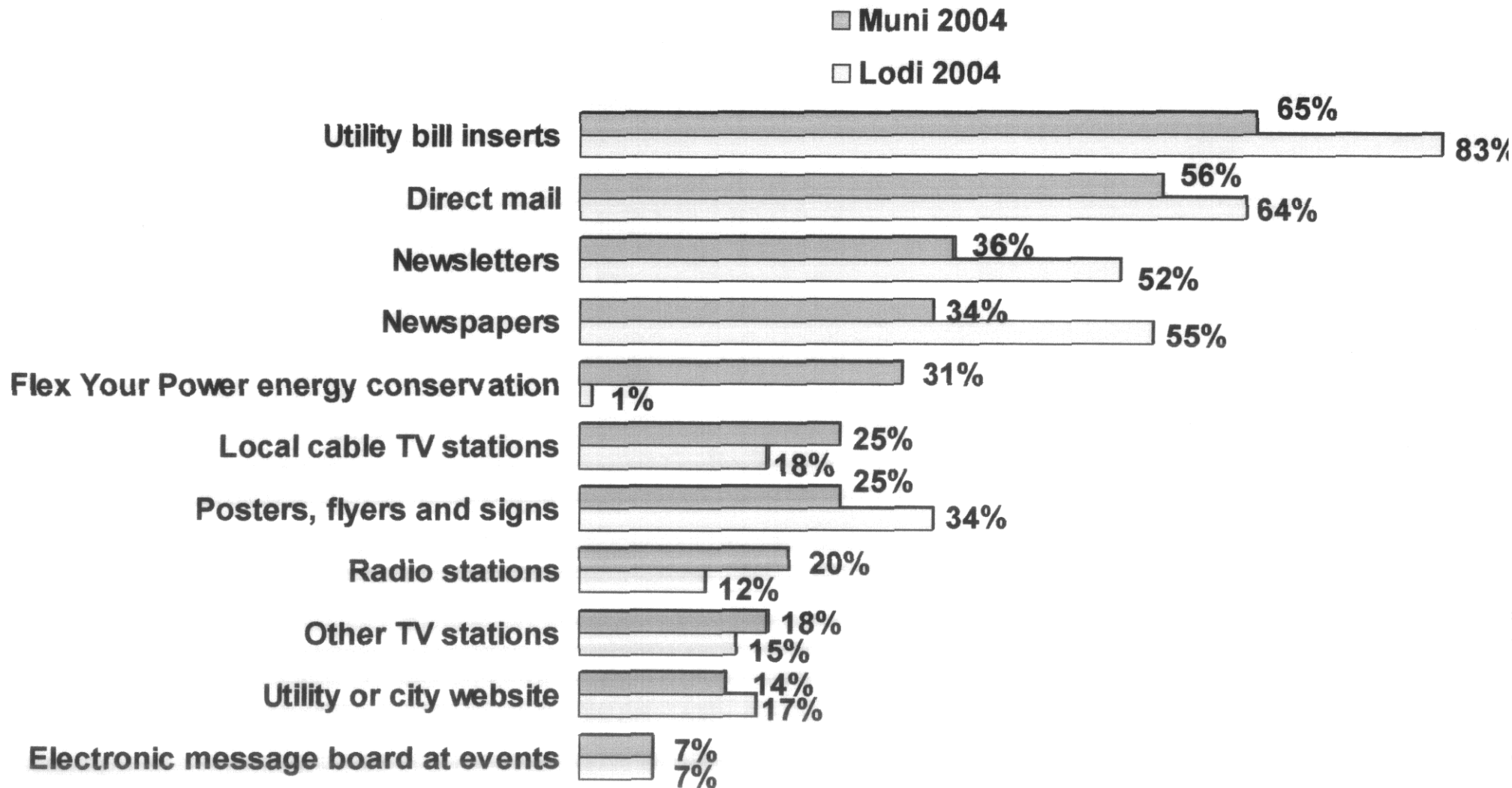


## *Communication Effectiveness (Q15a)*

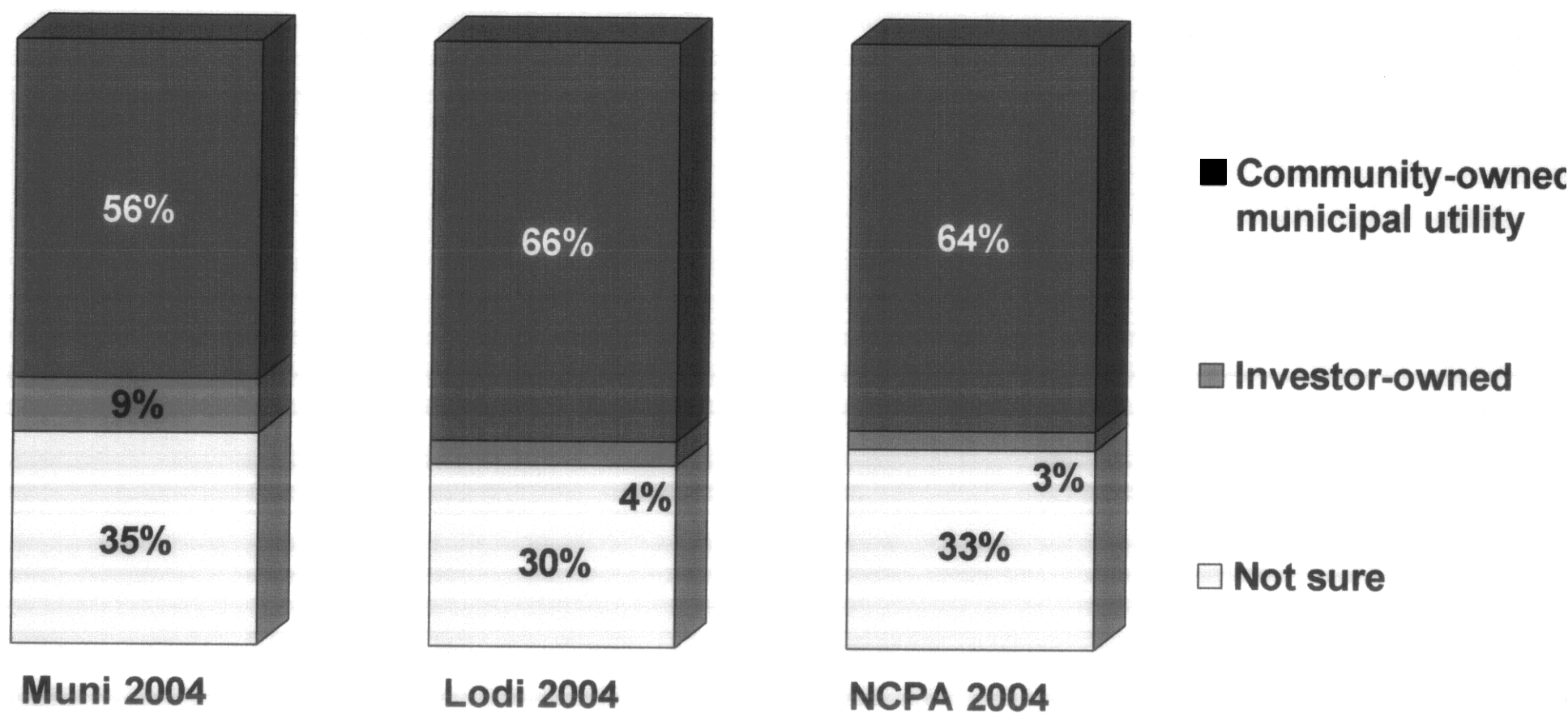


Rating on a 0 (very ineffective) to 10 (very effective) scale  
\*Significantly higher than 2002 at the 95% level of confidence

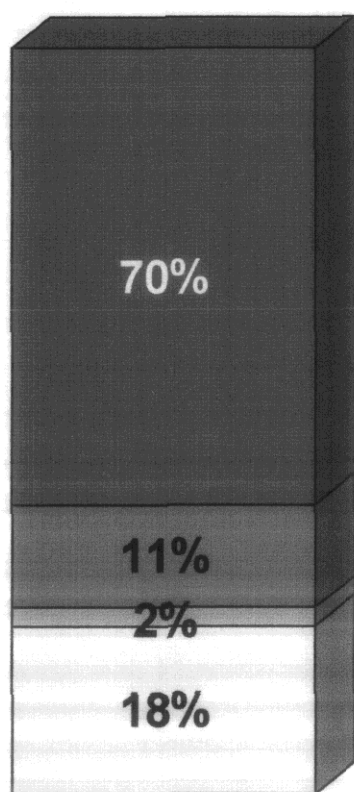
## *Most Useful Sources of Communication from Utility (Q15b)*



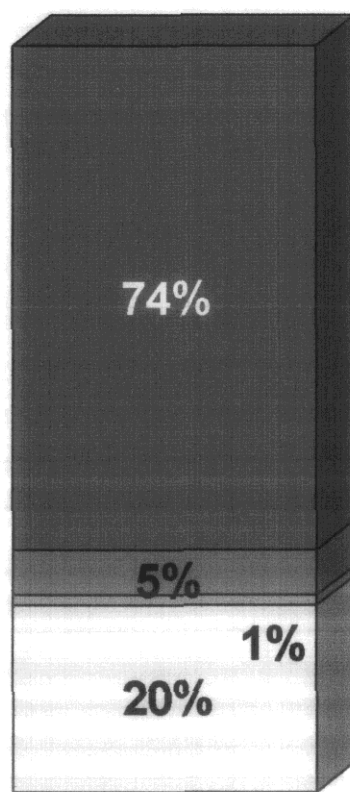
## *Awareness that Utility is Municipal Utility (Q14a)*



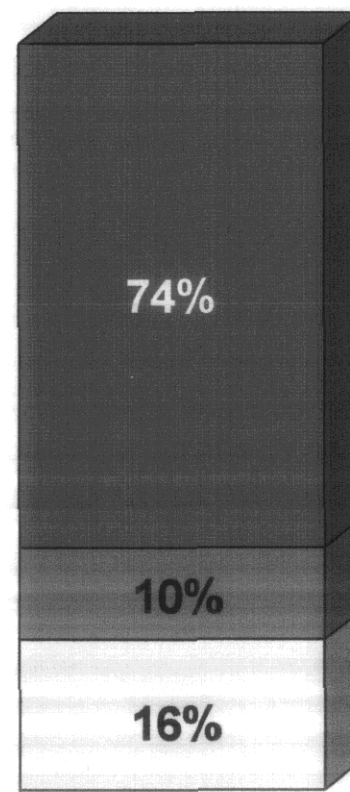
## *Utility Preference (Q14b)*



**Muni 2004**



**Lodi 2004**



**NCPA 2004**

■ **Community-owned municipal utility**

■ **Investor-owned**

■ **Neither**

□ **Not sure**

## *Summary*

- **This survey finds Lodi Electric performing well compared with others**
  - **Power delivery a strong suit**
  - **Trust and good image dimensions reinforce Lodi Electric's performance**
- **Areas for improvement:**
  - **Green energy**
  - **Communication**

## ***Recommendations***

- **Website becoming an effective communications tool - take advantage of this trend**
- **Green energy is a winner - make it work for you**
- **Promote alternative payment options - without a fee**
- **Communicate benefits provided by municipal utilities**